JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4628), to authorize appropriations for fiscal year 2003 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck all of the House bill after the

enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.



INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2003

----Ordered to be printed

Mr. Goss, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 4628]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4628), to authorize appropriations for fiscal year 2003 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recedes from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

[Text of bill]

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The Nation's Intelligence Capabilities – a new perspective

The conferees note that, in the wake of the September 11, 2001 terrorist attacks. the fiscal year 2003 budget submitted by the President includes the most substantial increase for programs funded in the National Foreign Intelligence Program in history. This authorization bill supports that investment by focusing on authorizations that enhance programs and information sharing across the various Intelligence Community (IC) agencies. Further, the President's funding increase appears to respond to congressional exhortations to develop a long-term funding program to correct serious IC deficiencies that have developed over the past decade. The conferees recognize that these deficiencies existed prior to September 11th and, indeed, the intelligence committees have been consistently highlighting these shortfalls for the past eight years. Put simply, although the end of the Cold War warranted a reordering of national priorities, the steady decline in intelligence funding since the mid-1990s left the nation with a diminished ability to address emerging threats -- such as global terrorism -- and the technical challenges of the 21st Century. Further, the IC's lack of a corporate approach to addressing enduring intelligence problems helped to create a culture that hindered data collection (especially human intelligence collection), data sharing, and collaborative analysis.

In this budget, the conferees seek to highlight four priority areas that must receive significant, sustained attention beginning immediately if intelligence is to fulfill its role in our national security strategy. Those are: (1) improving information sharing and all-source analysis; (2) improving IC professional training with a major emphasis on developing language skills; (3) ensuring national imagery collection program viability and effectiveness; and (4) correcting enduring systemic problems, deficiencies in human intelligence, and rebuilding a robust research and development program.

The conferees' top priority last year was the revitalization of the NSA. Although this continues to be one of the conferees' priority concerns, the focus this year must be on information sharing and cross-community analysis. The conferees note that the individual intelligence agencies and, moreover, their extremely talented and dedicated people, labor continuously to provide the absolute best intelligence products possible in defense of the nation. These efforts are, however, generally conducted in isolation from one another, and, most disturbingly, existing rules and procedures often restrict information from the community's depth and breadth of analytic talent. Therefore, those individual efforts can usually only piece together fragments of the overall intelligence puzzle. What is critical in the post-9/11 era is having a community that is, to the maximum extent possible, devoid of information sharing restrictions and one that fosters a greater culture focused on collaborative analysis. The conferees have included detailed language on the need for the IC to breakdown information sharing barriers and the need to cease the practice of allowing agencies to routinely restrict "their data" from other agencies, including law enforcement.

In order to maximize the IC's analytic effectiveness and output further, we must ensure that the dedicated professionals of the IC are properly trained and provided the skills necessary for the tasks that are required to fight the global war on terrorism and other emerging threats. For a number of years, the House and Senate Intelligence Committees, separately and jointly, have stated specific concerns about the dearth of language skills throughout the IC. The lack of depth in the so-called 'low-density' languages was acutely experienced during operations in Afghanistan. The conferees believe this is unacceptable and have put a great deal of emphasis in training efforts, particularly on foreign language training.

With respect to the nation's imagery architecture, the conferees are very concerned about the viability and effectiveness of a future overhead architecture, given the apparent lack of a comprehensive architectural plan for the overhead system of systems, specifically in the area of imagery. For example, the conferees believe the administration is facing a major challenge in addressing technical and funding problems with the Future Imagery Architecture (FIA) program that could force untenable trades between critical future capabilities and legacy systems. In this conference report, the conferees have addressed the known FIA problems as well as the need to develop imagery alternatives if developmental problems exist or persist. The conferees note, however, a continuing pattern by which many individual programs have been justified and provided resources with little or no regard to the entire set of IC collection capabilities, including space-based and airborne. The conferees believe that, although

individual systems may have specific merit, the real measure of merit is in what the overall collective mix brings to bear against the range of threats to U.S. national security. Moreover, the ability to fund all legacy, developmental, and desired systems has a finite limit. Therefore, there is a critical need to review each program in the context of the others, so that viable trades can be made based on substance, and long-term funding of healthy programs can be provided.

Finally, the conferees have focused their attention for a number of years on a number of enduring IC challenges. Once again, the Conferees have addressed in this bill such issues as the need to improve NSA acquisition efforts, the need to improve the depth and breadth of HUMINT, and improving research and development (R&D). With respect to the NSA, the conferees are pleased with the Director's attempts to baseline current capabilities so that future needs can be properly identified and resulting acquisition decisions made. The conferees have provided incentives to complete these later two efforts. In terms of improving HUMINT, the conferees have focused on improving training, providing technical resources to operations, and properly funding analytic efforts. All of these capabilities are supported by R&D efforts. Therefore, the conferees have supported the administration's increases to agencies' basic R&D programs. The conferees note that this funding support is based on the perspective that the IC must continue to renew itself for the ever-changing world. The new perspective on national security is that intelligence is the first line of defense against an illusive and unstructured threat that uses asymmetric means to harm America. It is from that perspective that the conferees have made the decision contained herein.

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Section 101 of the conference report lists the departments, agencies, and other elements of the United States Government for whose intelligence and intelligence-related activities the Act authorizes appropriations for fiscal year 2003.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

Section 102 of the conference report makes clear that the details of the amounts authorized to be appropriated for intelligence and intelligence-related activities and applicable personnel ceilings covered under this title for fiscal year 2003 are contained in a classified Schedule of Authorizations. The classified Schedule of Authorizations is incorporated into the Act by this section. The Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The classified annex provides details of the Schedule. Section 102 is identical to section 102 of the House bill.

SEC. 103. PERSONNEL CEILING ADJUSTMENTS.

Section 103 of the conference report authorizes the Director of Central Intelligence, with the approval of the Director of the Office of Management and Budget, in fiscal year 2003 to authorize employment of civilian personnel in excess of the personnel ceilings applicable to the components of the Intelligence Community under section 102 by an amount not to exceed two percent of the total of the ceilings applicable under section 102. The Director of Central Intelligence may exercise this authority only if necessary to the performance of important intelligence functions. Any exercise of this authority must be reported to the intelligence committees of the Congress.

The managers emphasize that the authority conferred by section 103 is not intended to permit wholesale increase in personnel strength in any intelligence component. Rather, the section provides the Director of Central Intelligence with flexibility to adjust personnel levels temporarily for contingencies and for overages caused by an imbalance between hiring new employees and attrition of current employees. The managers do not expect the Director of Central Intelligence to allow heads of intelligence components to plan to exceed levels set in the Schedule of Authorizations except for the satisfaction of clearly identified hiring needs that are consistent with the authorization of personnel strengths in this bill. In no case is this authority to be used to provide for positions denied by this bill. Section 103 is identical to section 103 of the House bill and section 103 of the Senate amendment.

SEC. 104. INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT.

Section 104 of the conference report authorizes appropriations for the Intelligence Community Management Account (CMA) of the Director of Central Intelligence (DCI) and sets the personnel end-strength for the Intelligence Community management staff for fiscal year 2003.

Subsection (a) authorizes appropriations of \$158,254,000 for fiscal year 2003 for the activities of the CMA of the DCI.

Subsection (b) authorizes 322 full-time personnel for the Intelligence Community Management Staff for fiscal year 2003 and provides that such personnel may be permanent employees of the Staff or detailed from various elements of the United States Government.

Subsection (c) authorizes additional appropriations and personnel for the CMA as specified in the classified Schedule of Authorizations and permits these additional amounts to remain available through September 30, 2004.

Subsection (d) requires that, except as provided in Section 113 of the National Security Act of 1947, personnel from another element of the United States Government be detailed to an element of the CMA on a reimbursable basis, or for temporary situations of less than one year on a non-reimbursable basis.

Subsection (e) authorizes \$34,100,000 of the amount authorized in subsection (a) to be made available for the National Drug Intelligence Center (NDIC). Subsection (e) requires the DCI to transfer these funds to the Department of Justice to be used for NDIC activities under the authority of the Attorney General and subject to section 103(d)(1) of the National Security Act. Subsection (e) is similar to subsection (e) of the House bill.

SEC. 105. AUTHORIZATION OF EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2002.

Section 105 is identical to Section 105 of the House bill. The Senate amendment had no similar provision. The Senate recedes.

SEC. 106. ADDITIONAL AUTHORIZATIONS OF APPROPRIATIONS FOR INTELLIGENCE FOR THE WAR ON TERRORISM.

Section 106 is identical to Section 106 of the House bill. The Senate amendment had no similar provision. The Senate recedes.

SEC. 107. SPECIFIC AUTHORIZATION OF FUNDS FOR INTELLIGENCE OR INTELLIGENCE-RELATED ACTIVITIES FOR WHICH FISCAL YEAR 2003 APPROPRIATIONS EXCEED AMOUNTS AUTHORIZED.

Section 107 authorizes, solely for the purposes of reprogramming under Section 504(a)(3) of the National Security Act of 1947 (50 U.S.C. 414(a)(3)) those funds appropriated for an intelligence or intelligence-related activity in fiscal year 2003 in excess of the amount specified for such activity in the classified Schedule of Authorizations to accompany this conference report.

SEC. 108. INCORPORATION OF REPORTING REQUIREMENTS.

Section 108 is similar to Section 105 of the Senate amendment. The House bill had no similar provision. Section 107 incorporates into the Act each requirement to submit a report contained in the joint explanatory statement to accompany the conference report or in the classified annex to the Act.

SEC. 109. PREPARATION AND SUBMITTAL OF REPORTS, REVIEWS, STUDIES, AND PLANS RELATING TO INTELLIGENCE ACTIVITIES OF DEPARTMENT OF DEFENSE OR DEPARTMENT OF ENERGY.

Section 109 is identical to Section 106 of the Senate amendment. The House bill had no similar provision. The House recedes.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Section 201 authorizes appropriations of \$225,500,000 for the Central Intelligence Agency Retirement and Disability Fund.

TITLE III—GENERAL PROVISIONS

Subtitle A—Intelligence Community

SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.

Section 301 is identical to Section 301 of the Senate amendment and Section 301 of the House bill.

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

Section 302 is identical to Section 302 of the Senate amendment and Section 302 of the House bill.

SEC. 303. SENSE OF CONGRESS ON INTELLIGENCE COMMUNITY CONTRACTING

Section 303 is identical to Section 303 of the Senate amendment. The House bill had no similar provision. The Senate recedes.

Subtitle B--Intelligence

SEC. 311. SPECIFICITY OF NATIONAL FOREIGN INTELLIGENCE PROGRAM BUDGET AMOUNTS FOR COUNTERTERRORISM, COUNTERPROLIFERATION, COUNTERNARCOTICS, AND COUNTERINTELLIGENCE.

Section 311 is identical to section 304 of the senate amendment. The House bill had no similar provision. The House recedes.

SEC. 312. PROHIBITION ON COMPLIANCE WITH REQUEST FOR IMFORMATION SUBMITTED BY FOREIGN GOVERNMENTS.

Section 312 is identical to Section 307 of the house bill. The Senate amendment had no similar provision. The Senate recedes.

SECTION 313. NATIONAL VIRTUAL TRANSLATION CENTER.

Section 313 is identical to Section 311 of the senate amendment. The House bill had no similar provision. The House recedes.

Subtitle C—Personnel

SEC. 321. STANDARDS AND QUALIFICATIONS FOR THE PERFORMANCE OF INTELLIGENCE ACTIVITIES.

Section 321 is similar to Section 308 of the Senate amendment. The House bill had no similar provisions. The House recedes.

SEC. 322. MODIFICATION OF ACCEPTED AGENCY VOLUNTARY LEAVE TRANSFER AUTHORITY.

Section 322 is similar of Section 305 of the House bill. The Senate amendment had no similar provision. The Senate recedes.

SEC. 323. SENSE OF CONGRESS ON DIVERSITY IN THE WORKFORCE OF INTELLIGENCE COMMUNITY AGENCIES.

Section 323 is identical of Section 312 of the House bill. The Senate amendment had no similar provision. The Senate recedes.

SEC. 324. ANNUAL REPORT ON HIRING AND RETENTION OF MINORITY EMPLOYEES IN THE INTELLIGENCE COMMUNITY.

Section 324 is identical to Section 313 of the House bill. The Senate amendment had no similar provision. The Senate recedes.

SEC. 325. REPORT ON ESTABLISHMENT OF A CIVILIAN LINGUIST RESERVE CORPS.

Section 325 is identical 311 of the House bill. The Senate amendment had no similar provision. The Senate recedes.

Subtitle D—Education

SEC. 331. SCHOLARSHIPS AND WORK STUDY FOR PURSUIT OF GRADUATE DEGREES IN SCIENCE AND TECHNOLOGY.

Section 331 is identical to Section 310 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 332. COOPERATIVE RELATIONSHIP BETWEEN THE NATIONAL SECURITY EDUCATION PROGRAM AND THE FOREIGN LANGUAGE CENTER OF THE DEFENSE LANGUAGE INSTITUTE.

Section 332 is identical to Section 308 of the House bill. The Senate amendment had no similar provision. The Senate recedes.

SEC. 333. ESTABLISHMENT OF A NATIONAL FLAGSHIP LANGUAGE INITIATIVE WITHIN THE NATIONAL SECURITY EDUCATION PROGRAM.

Section 333 includes Section 309 of the House bill. Section 309 of the Senate amendment also created a national foreign language initiative. The Senate recedes.

SEC. 334. REPORT ON THE NATIONAL SECURITY EDUCATION PROGRAM.

Section 334 is similar to the reporting requirement of Section 309 of the Senate amendment. Section 334 requires the secretary of Defense to submit a report in 180 days after enactment of the program of scholarship, fellowships, and grants under the David L. Boren National Security Education Act of 1991, including an assessment of the effectiveness of the program in meeting its goals and its administrative costs, and the advisability of converting funding of the program from funding through the National Security Education Trust Fund to funding through appropriations.

Subtitle E—Terrorism

SEC. 341. FOREIGN TERRORIST ASSET TRACKING CENTER.

Section 341 is identical to Section 312 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 342. SEMIANNUAL REPORT ON FINANCIAL INTELLIGENCE ON TERRORIST ASSETS (FITA).

Section 342 is identical to Section 304 of the House bill. The Senate amendment had no similar provision. The Senate recedes.

SEC. 343. TERRORIST IDENTIFICATION CLASSIFICATION SYSTEM.

Section 343 is identical to Section 313 of the Senate amendment. The House bill had no similar provision. The House recedes.

Subtitle F—Other Matters

SEC. 351. ADDITIONAL ONE-YEAR SUSPENSION OF REORGANIZATION OF DIPLOMATIC TELECOMMUNICATIONS SERVICE PROGRAM OFFICE.

Section 351 is identical to Section 306 of the House bill and similar to Section 316 of the Senate amendment. The Senate recedes.

SEC. 352. STANDARDIZED TRANSLITERATION OF NAMES INTO THE ROMAN ALPHABET

Section 352 is similar to Section 307 of the Senate amendment. The House bill had no similar provision. The House recedes with modifications.

SEC. 353. DEFINITION OF CONGRESSIONAL INTELLIGENCE COMMITTEES IN NATIONAL SECURITY ACT OF 1947.

Section 353 is similar to Section 303 of the Senate amendment. The House bill had no similar provision. The House recedes with modifications.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SEC. 401. TWO-YEAR EXTENSION OF CENTRAL INTELLIGENCE AGENCY VOLUNTARY SEPARATION PAY ACT.

Section 401 is identical to Section 401 of the House bill and Section 315 of the Senate amendment.

SEC. 402. IMPLEMENTATION OF COMPENSATION REFORM PLAN.

Section 402 is similar to Section 402 of the House bill. The Senate amendment had no similar provision. Section 402 delays implementation of the Central Intelligence Agency's proposed compensation reform plan until February 1, 2004 or the submission of a report on a compensation pilot project, whichever is later. The Director of Central Intelligence shall conduct the pilot project to assess the efficacy and fairness of a revised personnel compensation plan, and report to the congressional intelligence committees 45 days after completion of the pilot project. Section 402 includes a sense of the Congress that an employee personnel evaluation mechanism with evaluation training for managers and employees of the CIA and the National Security Agency should be phased in first, and then followed by the introduction of a new compensation plans.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

SEC. 501. USE OF FUNDS FOR COUNTERDRUG AND COUNTERTERRORISM ACTIVITIES FOR COLOMBIA.

Section 501 is similar to Section 501 of the House bill. The Senate amendment had no similar provision. The Senate recedes.

SEC. 502. PROTECTION OF OPERATIONAL FILES OF THE NATIONAL RECONNAISSANCE OFFICE.

Section 502 is identical to Section 502 of the House bill. The Senate amendment had no similar provision. The Senate recedes.

SEC. 503. ELIGIBILITY OF EMPLOYEES IN INTELLIGENCE SENIOR LEVEL POSITIONS FOR PRESIDENTIAL RANK AWARDS.

Section 503 is identical to Section 503 of the House bill. The Senate amendment had no similar provision. The Senate recedes.

TITLE VI—NATIONAL COMMISSION ON TERRORIST ATTACKS

Title VI is substantially similar to Title VI of the House bill as well as language found in Senate amendment 4694 to H.R. 5005, a bill to establish the Department of Homeland Security.

TITLE VII—INFORMATION SHARING

Title VII is similar to Title VII of the House bill and H.R. 4598, the Homeland Security Information Sharing Act, which passed the House on June 26, 2002 in a 422-2 vote. Title VII is also similar to sections 891-894 of H.R. 5710, establishing the Department of Homeland Security, which passed the House on November 13, 2002. Section 706 has been added by the conferees to coordinate the different versions of the Homeland Information Sharing Act, which are found in this bill and in H.R. 5710.

The Senate amendment had no similar provision. The Senate recedes.

TITLE VIII—REPORTING REQUIREMENTS

Subtitle A—Overdue Reports

SEC. 801. DEADLINE FOR SUBMITTAL OF VARIOUS OVERDUE REPORTS.

Section 801 is similar to Section 310 of the House bill. Section 801 reduces by one-third the amounts available to be obligated or expended by the Office of the Director of Central Intelligence if certain reports are not submitted to the Congress 180 days after enactment. The reports referred to in this section are reports mandated by law for which the DCI has sole or primary responsibility to prepare or coordinate and submit to Congress, which, as of the date of enactment, have not been submitted to Congress if mandated to be submitted prior to the date of enactment. The fence will not be imposed if the DCI certifies in writing to the intelligence committees that all overdue reports specified in Section 801 are completed. The Senate amendment had no similar provision. The Senate recedes.

Subtitle B—Submittal of Reports to Intelligence Committees

SEC. 811. DATES FOR SUBMITTAL OF VARIOUS ANNUAL AND SEMI-ANNUAL REPORTS TO THE CONGRESSIONAL INTELLIGENCE COMMITTEES

Section 811 is similar to Section 401 of the Senate amendment. The House bill had no similar provision. The House recedes with modifications.

Subtitle C—Recurring Annual Reports

SEC. 821. ANNUAL REPORT ON THREAT OF ATTACK ON THE UNITED STATES USING WEAPONS OF MASS DESTRUCTION.

Section 821 is identical to Section 412 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 822. ANNUAL REPORT ON COVERT LEASES.

Section 822 is identical to Section 413 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC.823. ANNUAL REPORT ON IMPROVEMENT OF FINANCIAL STATEMENTS OF CERTAIN ELEMENTS OF THE INTELLIGENCE COMMUNITY FOR AUDITING PURPOSES.

Section 823 is identical to Section 414 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 824. ANNUAL REPORT ON ACTIVITIES OF FEDERAL BUREAU OF INVESTIGATION PERSONNEL OUTSIDE THE UNITED STATES.

Section 824 is identical to Section 415 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 825. ANNUAL REPORTS OF INSPECTORS GENERAL OF THE INTELLIGENCE COMMUNITY ON PROPOSED RESOURCES AND ACTIVITIES OF THEIR OFFICES.

Section 825 is identical to Section 416 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 826. ANNUAL REPORT ON COUNTERDRUG INTELLIGENCE MATTERS.

Section 826 is identical to Section 417 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 827. ANNUAL REPORT ON FOREIGN COMPANIES INVOLVED IN THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION THAT RAISE FUNDS IN THE UNITED STATES CAPITAL MARKETS.

Section 827 is identical to Section 314 of the Senate amendment. The House bill had no similar provision. The House recedes.

Subtitle D—Other Reports

SEC. 831. REPORT ON EFFECT OF COUNTRY-RELEASE RESTRICTIONS ON ALLIED INTELLIGENCE-SHARING RELATIONSHIPS.

Section 831 is identical to Section 431 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 832. EVALUATION OF POLICIES AND PROCEDURES OF DEPARTMENT OF STATE ON PROTECTION OF CLASSIFIED INFORMATION AT DEPARTMENT HEADQUARTERS.

Section 832 is identical to Section 432 of the Senate amendment. The House bill had no similar provision. The House recedes.

Subtitle E—Repeal of Certain Report Requirements

SEC. 841. REPEAL OF CERTAIN REPORT REQUIREMENTS.

Section 841 is substantially similar to Section 441 of the Senate amendment, although the conferees have agreed to repeal certain additional Intelligence Community reporting requirements. The House bill had no similar provision. The House recedes with modifications.

TITLE IX—COUNTERINTELLIGENCE ACTIVITIES

SEC. 901. SHORT TITLE; PURPOSE.

Section 901 is identical to Section 501 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 902. NATIONAL COUNTERINTELLIGENCE EXECUTIVE.

Section 902 is identical to Section 502 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 903. NATIONAL COUNTERINTELLIGENCE POLICY BOARD.

Section 903 is identical to Section 503 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 904. OFFICE OF THE NATIONAL COUNTERINTELLIGENCE EXECUTIVE.

Section 904 is similar to Section 504 of the Senate amendment. The House bill had no similar provision. The conferees agree to place the Office of the National Counterintelligence Executive within the Office of the Director of Central Intelligence. Further, the provision makes clear that nothing in this section shall be construed as affecting the authority of the Director of Central Intelligence, the Secretary of Defense, the Secretary of State, the Attorney General, or the Director of the FBI as provided or specified under the National Security Act of 1947 or under other provisions of law. The House recedes with modifications.

TITLE X—NATIONAL COMMISSION FOR REVIEW OF RESEARCH AND DEVELOPMENT PROGRAMS OF THE UNITED STATES INTELLIGENCE COMMUNITY.

SEC. 1001. FINDINGS.

Section 1001 is identical to Section 601 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 1002. NATIONAL COMMISSION FOR REVIEW OF RESEARCH AND DEVELOPMENT PROGRAMS OF THE UNITED STATES INTELLIGENCE COMMUNNITY.

Section 1002 is identical to Section 602 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 1003. POWERS OF COMMISSION.

Section 1003 is identical to Section 603 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 1004. STAFF OF COMMISSION.

Section 1004 is identical to Section 604 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 1005. COMPENSATION AND TRAVEL EXPENSES.

Section 1005 is identical to Section 605 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 1006. TREATMENT OF INFORMATION RELATING TO NATIONAL SECURITY.

Section 1006 is identical to Section 606 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 1007. FINAL REPORT; TERMINATION.

Section 1007 is identical to Section 607 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 1008. ASSESSMENTS OF FINAL REPORT.

Section 1008 is identical to Section 608 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 1009. INAPPLICABILITY OF CERTAIN ADMINISTRATIVE PROVISIONS.

Section 1009 is identical to Section 609 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 1010. FUNDING.

Section 1010 is identical to Section 610 of the Senate amendment. The House bill had no similar provision. The House recedes.

SEC. 1011, DEFINITIONS.

Section 1011 is identical to Section 611 of the Senate amendment. The House bill had no similar provision. The House recedes.

<u>Items Not Included</u>

Section 305 of the Senate amendment contained a provision to clarify Section 504 of the National Security Act of 1947 with respect to the reprogramming of funds from one intelligence activity to another. The House bill had no similar provision. The Senate recedes.

Section 306 of the Senate amendment required disclosure to Congress of information regarding pending criminal investigations and prosecutions that is currently

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subject to statutory and other disclosure prohibitions, such as grand jury matters under Rule 6(e) of the Federal Rules of Criminal Procedure, communications intercepted under Title III domestic wiretap provisions, and other sensitive law enforcement information. The House bill had no similar provision. The Senate recedes.